PATRON CAPITAL LIMITED

5th October 2009

Ms. Elizabeth Murphy
Secretary
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549-1090

Re: Comments on Release No. IA-2910; File No. S7-18-09; "Political Contributions by Certain Investment Advisers"

Dear Ms Murphy,

We are grateful for the opportunity to comment on the Securities and Exchange Commission's proposed new Rule 206 (4)-5 (the "New Rule") on behalf of Patron Capital Partners.

Before commenting on the New Rule it may be helpful to give you some background on our firm and our history with placement agents.

Patron Capital Partners ("Patron") represents approximately Euros 1.7 billion of capital across three funds (the "Funds") and related co-investments, investing in property, corporate operating entities whose value is primarily supported by property assets and distressed debt and credit related businesses throughout Europe. Since 1999, the Funds have made more than 55 investments involving more than 18 million square feet in 12 countries within Europe. Our investors represent a variety of prominent universities, major institutions, private foundations and high net worth individuals located primarily throughout North America and to a lesser degree, Europe.

Patron has used placement agents for fund raising in respect of each Fund. It is highly likely that we would use a placement agent for raising our fourth fund. It is with no hesitation that we can say that Patron would not be where it is today without the support of our placement agents.

We fully understand the underlying reasoning for the New Rule. However as drafted today it would have far greater consequences (which we do not believe are necessarily intended but would have this undesired effect purely by its far reaching provisions) than the circumstances it is intended to address. If the New Rule remained in its present form it would simply ban placement agents from intermediating between

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clients and public pensions. We believe this would have an undesirable effect for Funds like ours, professional placement agents and lastly but not least, the public pension plans themselves. We believe this to be unnecessarily damaging.

The common objective for most funds is to grow in commitment size and broaden the investor base. Patron has followed this pattern such that the third fund is approximately 7 times the size of the first Patron fund and the investor base has broadened significantly. This could not have been achieved without the help of the placement agent. We understand that the New Rule would not prevent placement agents from continuing to do the job they have already done for Patron in the past but Patron would not be able to, or in any case, not without great difficulty, expand its investor base to include public pension plans. To date none of the Funds have any public pension plan commitments. The size and strategy of the Patron Funds to date did not make this a viable option however going forward this would be a far more interesting investor class. Without the valuable input from a placement agent this task would prove to be very difficult. This is further compounded for Patron as we are a European based Fund, so even if Patron decided to dedicate internal resources and time to encourage investments from US public pension plans, Patron would be at a material disadvantage hence the need for a placement agent. Further, if we were to dedicate such resources our investment performance on behalf of our current pension clients would clearly suffer.

Should the concerns of one fund like Patron be enough not address the objectives the New Rule is trying to tackle? Of course it is not. Even if one put a side the concerns of Funds like Patron, on a larger scale how would public pension plans be affected? How would public pension plans know about opportunities like Patron? Patron has to date made significant returns for its investors. Is the objective of the New Rule to exclude public pension plans from these opportunities and indirectly disadvantage them and their beneficiaries? We can see that this is not a desired consequence but this will undoubtedly be an undesired affect of the New Rule.

The New Rule is obviously required to address "rogue" placement agents and this should of course be seriously regulated to protect the parties concerned. However there are, to our knowledge, a series of existing regulations (namely SEC and FINRA rules) already in place specifically designed to bring actions against those who engage in "pay to play" practises. Why try to catch those placement agents who are compliant with these rules?

Although the New Rule is not directly about questioning the merits and benefits of having a placement agent and it is or, in any case, should, be about ensuring there are sufficient rules and regulations in place to ensure that no third party adviser can engage in "pay to play " practises, the effect is however to (i) harm the fund raising abilities of funds like Patron and (ii) materially impact the investing opportunities of public pensions plans.

We appreciate your consideration of our comments. We have been extremely fortunate to work with professional placement agents which have benefitted us and our investors greatly. We sincerely hope that this relationship shall be able to continue to evolve for the benefit of all parties concerned.

More information on Patron is available at www.patroncapital.com. Please feel free to contact us if you have any questions on +44 207 629 94 17 or keith@patroncapital.com.

Thank you for your consideration

Yours sincerely

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